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General Counsel - Massachusetts

February 10, 2000

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
Commonwealth of Massachusetts
One South Station, 2nd Floor
Boston, Massachusetts 02110

Re: Bell Atlantic-Massachusetts, Docket No. 99-271

Dear Ms. Cottrell:

Pursuant to the Hearing Officers' Memorandum of February 3, 2000, Bell Atlantic-Massachusetts ("BA-MA") files these comments on KPMG's recommendation to modify the Massachusetts Master Test Plan ("MTP") to use projected commercial volumes for six months into the future as the basis for its transaction testing rather than projected volumes 18 months into the future. The Department should accept KPMG's recommendation. The modification is consistent with the objectives of the test and provides a more appropriate measure of the capability of Bell Atlantic's Operations Support Systems ("OSS") to handle reasonably anticipated future commercial volumes.

The purpose of KPMG's testing is to aid the Department in "determining whether BA-MA's provision of access to OSS functionality enables and supports CLEC entry in the local market." *Final MTP* at 9. To this end, the MTP "is intended to provide adequate breadth and depth to evaluate the entire CLEC/ILEC *relationship under real world conditions.*" *Id.* (emphasis added) One component of the MTP is KPMG's proposal to conduct a volume test over a four-day period based upon its estimate of a future level of pre-ordering and ordering transactions that may be presented to Bell Atlantic's OSS. The MTP states that the volume test will be based on projected volumes for mid-year 2001. In its memorandum to the Department of February 1, 2000, KPMG recommends a modification to this by using instead a projection of CLEC pre-ordering and order transactions that KPMG estimates will be presented to Bell Atlantic's OSS six months into the future. The issue before the Department is whether this modification should be adopted. It should.

KPMG's recommendation is reasonable and will provide for a very rigorous volume test that fully meets the Department's objectives for the test. The real-world conditions that Bell Atlantic faces are the current and near-term demands that CLECs will place on Bell Atlantic's OSS. KPMG's proposal to use a six-month projection of pre-order and order transaction volumes will unquestionably

establish the ability of Bell Atlantic's OSS to handle reasonably anticipated future commercial volumes. Those OSS are today handling substantial volumes across the Bell Atlantic-North states, and the use of a six-month projection meets the Department's intention that the test "capture the current market conditions and circumstances." *See* Letter Order dated November 19, 1999, at 3. Indeed, as KPMG notes, it used an 18-month projection for its tests in New York and Pennsylvania only because there were virtually no commercial volumes on the OSS systems at the time of testing. Thus, KPMG had to look far into the future to arrive at volume levels that would exist in a commercial production mode. That condition does not apply here – and hence there is no need to look beyond a six-month period – because CLECs are now placing commercial volumes on the Bell Atlantic-North systems. KPMG has properly recognized that the reason for use of an 18-month projected volume in other states simply does not apply to the Massachusetts test.

Given the substantial volumes now being processed by the OSS, KPMG has correctly concluded that it would be unreasonable to expect Bell Atlantic currently to have the capacity to process volumes that will not be presented to its OSS until 18 months from now. Rather than installing large amounts of capacity to meet an uncertain far-off future demand, a prudent business would add capacity in a timely and cost efficient manner to meet demand as it materializes. Significantly, the Department is also requiring that KPMG evaluate Bell Atlantic's ability to add capacity to its systems and scale its processes to meet demand into the future. Thus, the test will not only establish whether Bell Atlantic's OSS can *currently* handle additional commercial volumes that may develop over a reasonable time period but will determine the degree to which those systems can be scaled to accommodate demand beyond then. The comprehensiveness of the MTP, therefore, accounts fully for the ability of the OSS to accommodate both current and future demand.¹

In several filings, AT&T has focused on recent experiences in New York and claims that "so long as commercial experience in New York continues to demonstrate that Bell Atlantic's wholesale systems are broken, it will remain premature to test whether the same systems can handle additional commercial volumes of orders in Massachusetts." *See* Letter of Kenneth Salinger to Secretary Mary L. Cottrell dated February 7, 2000 at 2; Emergency Motion to Stay Transaction Testing at 2. AT&T's suggestion is disingenuous on its face: the very reason the Department has engaged KPMG is to have an independent test conducted of the Bell Atlantic OSS to determine their capability. What is important for the limited issue now before the Department is that the proposed modification to the MTP does nothing to change the scope of the test. If as AT&T alleges, Bell Atlantic's OSS are "not ready for prime time" the test will reveal the deficiencies.

¹ In supporting the application of a six-month forecast, BA-MA is not necessarily endorsing the estimated projection, which KPMG outlined in its February 1st memorandum. As KPMG notes, its projection is based on a number of assumptions, and accordingly, the final volumes selected for the test should be carefully reviewed by the Department.

The MTP provides that in addition to testing for the normal load estimated to be placed on Bell Atlantic's OSS, KPMG also will conduct peak and stress volume tests. *See Final MTP* at 33. The MTP does not specify the manner in which the peak and stress volumes will be determined by KPMG. In its February 1st memorandum to the Department, KPMG states that for the peak volume it will use 125 percent of the normal day. For the stress volume, it will begin at 150 percent of the normal day and increase the number of transactions submitted per hour by more than 15 percent per hour, resulting in a stress hour of 200 percent. KPMG explains that the peak and stress factors were based on recent actual Bell Atlantic data and assumed peak demand by the CLECs in several independent categories occurred simultaneously on the same day. BA-MA has no objection to KPMG's proposed peak and stress factors.

Bell Atlantic does, however, have a concern that the stress test not affect actual production transactions that CLECs are placing on the Bell Atlantic OSS. Running the stress test volumes concurrently with production volumes creates a situation where production work could be compromised. This risk should be avoided because it could negatively affect actual customer transactions. An approach that will enable KPMG to satisfy the stress portion of its volume testing without potentially compromising actual transactions is to run the test at a time when KPMG's volumes are not mixed with CLEC traffic. For example, KPMG could submit the stress volumes on a Sunday during a time when CLECs are informed that the systems are unavailable. This does not compromise the efficacy of the stress test, but will prevent potential problems with actual transactions. Bell Atlantic is willing to work with the Department and KPMG to arrive at a satisfactory approach.

The Hearing Officers' February 3rd Memorandum also requested comments on delivery methods to be utilized by KPMG in the volume test. Specifically, the Department seeks comments on the single Local Service Request ("LSR")/single-file transmission method vs. the batching of LSRs. It is BA-MA's understanding that KPMG is considering using a mix of single LSRs and batched LSRs. BA-MA supports this approach because it mirrors the current production environment as well as the environment that will exist over the six-month period.

Currently, files of LSRs received by Bell Atlantic in New York and New England from hundreds of different carriers contain, on average, 10 LSRs per file. Some files have one LSR, some have up to 100 LSRs, but the average is 10 LSRs per file. Bell Atlantic systems are currently configured for this type of mix. As of the end of January 2000, Bell Atlantic received only approximately 12 percent of its order volume in files containing a single transaction.

BA-MA expects the mix of single versus batch transactions to change over time as some CLECs migrate from their existing interfaces to new protocols, such as the Interactive Agent or SSL3. However, at this point, it is difficult to estimate the number of carriers that may move to single-file processing or the pace of their migration. For instance, to date, Bell Atlantic has implemented the Interactive Agent protocol with only one CLEC for ordering transactions and with that same CLEC and

one other for pre-ordering transactions. Moreover, even for the CLEC using the Interactive Agent, its total order transactions using the single-file method are a very small percentage of total CLEC orders. Its orders for the month of January 2000 represented only about 23 percent of total CLEC orders.

There is simply no sound ground at this time to assume a different mix of single versus batch transactions than CLECs are currently processing. Again, the objective of the test is to evaluate the entire CLEC/ILEC *relationship under real world conditions*. To select a mix of order types other than the current mix would be purely speculative and would not further the Department's objective. KPMG should accordingly perform the transaction test utilizing a mix of single and batch transmissions so that the average is 10 LSRs per file. BA-MA will provide whatever information the Department and KPMG may require to confirm the reasonableness of proceeding with this mix.

In sum, KPMG has proposed a single modification to the MTP that is reasonable and does not affect the scope or rigorous nature of the test. KPMG has adequately explained the rationale for its modification, and the Department should adopt its independent expert's recommendation. What's more, its proposal makes just plain common sense. Bell Atlantic should be required to establish the ability of its OSS to handle reasonably anticipated future commercial volumes. That is precisely what a six-month volume projection will achieve. Expecting it to have capacity to meet demand that may only materialize far into the future serves no legitimate purpose.

Sincerely,

Bruce P. Beausejour

cc: Commissioner James Connelly, Esq.
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